**FAQs – Equipment**

**Q1.** How is equipment defined?

**A1.** The Funding Opportunity Announcement defines equipment as:

“…an article of tangible, nonexpendable, personal property, including exempt property, charged directly to the grant, having a useful life of more than one year and an acquisition cost of $5,000 per unit or more.”

In layman’s terms it means laboratory, industrial, electrical equipment of a specialized use for research and development that costs more than $5,000 each.

**Q2**. Are there any limitations for equipment purchase?

**A2**. There are many:

1. All government agencies, including the DOE, expect applicants for grants and contracts to provide their own capitalized equipment. However, agencies may make exceptions and allow equipment as a budgeted cost.
2. Preference for American-made equipment.
3. Primarily or exclusively used in scientific research.
4. Title to the equipment will be retained by the DOE until such time that it may be transferred to the grantee.

**Option 1** - You can show fringe as being added to the project salary as a percentage of that salary (by individual). This would have to be explained in some detail in the budget justification form.

**Option 2** – Assume that fringe costs will be part of the total indirect costs shown later in the budget.

**Q3**. Is a laptop computer considered equipment?

**A3.** A laptop computer typically is not since they are rarely over $5,000. They may be considered Materials and supplies if the computer is strictly dedicated to performing under the research grant.